
FISCAL TOPICS

Fiscal Services Division

August 20, 2021



Ground Floor, State Capitol Building

Des Moines, Iowa 50319

515.281.3566

Medicaid HCBS Waivers

The Medicaid Home and Community-Based Services (HCBS) Waivers Program was established by the federal government in 1981 under Section 1915(c) of the Social Security Act. The waivers give states the flexibility to design and implement programs that target certain populations and supplement the traditional Medicaid program. The waivers forgo several key provisions of Medicaid law including:

- The provision that requires Medicaid to be statewide, giving states the flexibility to target the program in an area of the state with the greatest need or where there is a certain type of provider available.
- The provision requiring comparability of services, allowing states to target populations at a greater risk of being institutionalized, without providing specific services to the entire Medicaid population.
- The provision regarding income and resource limits, targeting people who would otherwise be eligible for an institution.

To provide HCBS waiver services, states must apply to the Centers for Medicare and Medicaid Services (CMS) for approval and meet several requirements, including demonstrating that the program is cost-effective, ensuring the well-being of the consumer, providing adequate and reasonable provider standards, and ensuring services are provided in accordance with a plan of care.

Iowa HCBS Waivers

Iowa has seven different HCBS Waivers. For individuals to qualify for the waivers, they must first be eligible for Medicaid and then meet the requirements of the waiver. The seven waivers are:

- **Health and Disability** – Provides services for blind or disabled persons under the age of 65.
- **AIDS-HIV** – Provides services for persons with an AIDS or HIV diagnosis.
- **Elderly** – Provides services for persons 65 years of age or older.
- **Intellectual Disabilities** – Provides services to persons with a diagnosis of intellectual disability.
- **Brain Injury** – Provides services to persons with a brain injury diagnosis due to accident or illness who are between the ages of one month and 65 years.
- **Physical Disability** – Provides services for persons with a physical disability between the ages of 18 and 65.
- **Children's Mental Health** – Provides services for children diagnosed with a serious emotional disturbance.

The HCBS Waivers provide a variety of services to the individuals they serve. Although the services provided vary by waiver, some of the more common waiver services are:

- | | |
|--|---|
| <ul style="list-style-type: none">• Adult Day Care• Consumer-Directed Attendant Care• Counseling Services• Home and Vehicle Modification• Home-Delivered Meals | <ul style="list-style-type: none">• Home Health Aides• Personal Emergency Response Systems• Nutritional Counseling• Supported Community Living• Respite |
|--|---|

More Information

Iowa DHS HCBS Waiver Information: dhs.iowa.gov/ime/members/medicaid-a-to-z/hcbs

LSA Staff Contact: Jess R. Benson (515.281.4611) jess.benson@legis.iowa.gov

Budget Impact

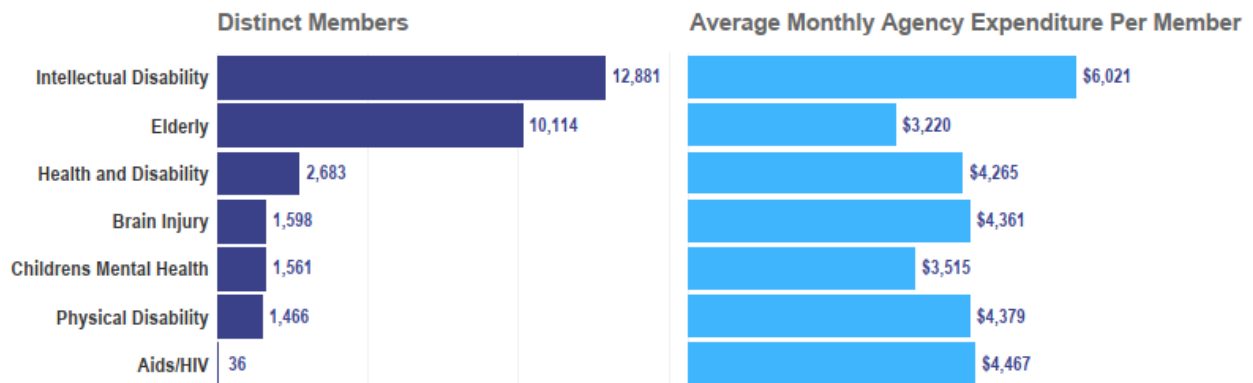
Waiver expenditures totaled \$438.9 million for FY 2020 (**Figure 1**) with approximately \$171.7 million of that being State funds. The largest waiver in terms of both dollars and members (**Figure 2**) is the Intellectual Disabilities Waiver, serving 12,881 distinct members in FY 2020 at a total cost of \$325.2 million.

**Figure 1
FY 2020 HCBS Waiver Expenditures**

Waiver	FY 2020 Expenditures
AIDS HIV Waiver	\$274,883
Brain Injury Waiver	\$34,808,907
Children's Mental Health Waiver	\$7,807,470
Elderly Waiver	\$46,609,596
Intellectual Disability Waiver	\$325,193,306
Health and Disability Waiver	\$20,078,510
Physical Disability Waiver	\$4,120,989
Total HCBS Waivers	\$438,893,661

The average monthly expenditures range from a low of \$3,220 for the Elderly Waiver to \$6,021 for the Intellectual Disability Waiver. Waiver expenditures vary depending on the intensity and amount of services provided with higher-needs individuals needing more services.

**Figure 2
Distinct Members and Average Monthly HCBS Waiver Expenditures Per Member FY 2020**



HCBS Waiver Enrollment and Waitlist

The seven HCBS Waivers had an enrollment of 25,805 people in August 2021 (**Figure 3**). The waiver with the largest enrollment is the Intellectual Disabilities Waiver, with 12,157 people enrolled and another 182 individuals pending approval. The waiver also has the second largest waitlist, with 5,049 individuals waiting to apply for the waiver. There are 16,888 individuals on the waitlist for all waivers, although some individuals may be double counted because they have applied for multiple waivers. This is an increase of 24.2% or 3,289 from the beginning of the calendar year.

Figure 3
HCBS Waiver Enrollment and Waitlist — August 2021

Home and Community-Based Services Waivers				
August 2021				
	Enrolled	Pending Approval	Waiting List	Application Date for Slot
Intellectual Disabilities	12,157	182	5,049	12/15/2017
Elderly	7,618	540	0	N/A
Health and Disability	2,336	25	6,369	6/25/2018
Brain Injury	1,488	13	2,330	4/3/2017
Children's Mental Health	1,155	169	1,156	11/20/2019
Physical Disability	1,023	135	1,984	11/19/2019
AIDS/HIV	28	4	0	N/A
Total	25,805	1,068	16,888	

The Brain Injury Waiver has the longest waitlist by date of application for the next available slot, with the person in line for the next slot having applied for the waiver April 3, 2017. There are five waivers that have a waiting list with an average wait time of three years. The Elderly Waiver is the only waiver that does not cap enrollment, and therefore it is the only waiver that has increased consistently on an annual basis.

Opening up enough slots to eliminate the HCBS Waiver waitlists is difficult to estimate due to a number of factors but would come at a significant cost. Individuals who are on the waitlists have not gone through the entire enrollment process to see if the individuals are eligible for the waivers. This is because an individual's circumstances may change between the time they apply for the waiver and when a slot becomes open. In addition, waiting lists may be artificially inflated because individuals sometimes apply for or are eligible for more than one waiver.

Related Statutes and Administrative Rules

Iowa Code chapter [249A](#)
Iowa Administrative Code [441.83](#) IAC

Doc ID 1226368